IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION



IN RE:	§	
	§	
TAXMASTERS, INC.	§	CASE NO. 12-32065-H2
	§	
Debtor	§	(Chapter 11)
	§	

ORDER SEALING DOCUMENTS AND APPROVING RELATED PROCEDURES (Docket No. 86)

The Court has considered the Trustee's Emergency Motion to Seal Certain Bankruptcy Pleadings/Documents and to Approve Related Procedures (the "Motion"), filed herein by W. Steve Smith, chapter 11 trustee. The requested relief is granted as follows. It is therefore

ORDERED THAT:

- 1. The creditor mailing matrix in this case shall be removed from public access by the Clerk of Court.
- 2. All proofs of claim filed by a former or current client of the Debtor will be file-stamped by the Clerk but shall not be entered on the claims register pending further order of the Court.
- 3. Schedule F shall be sealed by the Clerk as to all persons except for (i) the Trustee and the Trustee's counsel, (ii) the United States Trustee, and (iii) other court personnel.
- 4. All correspondence related to this case that is directed to the Court and/or the undersigned judge that includes information of a sensitive nature (such as social security numbers, bank statements, tax documents, etc.) shall be sealed by the Clerk as to all persons except for (i) the Trustee and the Trustee's counsel, (ii) the United States Trustee, and (iii) other court personnel.
- 5. Any party in interest may move to unseal any document covered by this Order for good cause shown.
- 6. The Trustee is authorized to send the correspondence attached as Exhibit A to those individuals identified as current or former clients.

Signed this 23rd day of April, 2012 in Houston, Texas.

David R. Jones

United States Bankruptcy Judge

Case 12-32065 Document 86-1 Filed in TXSB on 04/23/2012 Page 1 of 5

April _____, 2012

RE: Case Number 12-32065-H2-11; In re TaxMasters, Inc. d/b/a Texas TaxMasters and d/b/a TaxMasters, Debtor; In the U.S. Bankruptcy Court for the Southern District of Texas, Houston Division

Dear Potential Claimant:

You have been identified as an individual who <u>may</u> have a claim against TaxMasters, Inc., an entity that recently filed for Chapter 11 bankruptcy. Normally, the names of a debtor's creditors are filed with the court and are made public record. In this case, the Bankruptcy Court has made note of its concerns with regard to the publication of a comprehensive list of individuals who may have, at one time or another, contacted TaxMasters, Inc. for the purpose of securing assistance with tax issues. For this reason, W. Steve Smith, the Trustee of the TaxMasters, Inc., bankruptcy estate, requested court authority to seal, for the time being, the listing of these names. The process of "sealing" means that certain information is not made available to the public. The Trustee desires to keep this listing from the public, for the time being, to ensure that other businesses like TaxMasters, Inc., will not begin contacting you in order to get your business.

In conjunction with this, and other issues, the Bankruptcy Court has required that the Trustee provide the following information to you:

1. INTERNET ACCESS TO BANKRUPTCY PLEADINGS:

Due to the number of potential creditors in this case, bankruptcy pleadings and/or documents will not be mailed to most creditors; however, all bankruptcy pleadings that are filed will be made available at the following website: www.txmstr.com.

You can access the documents by clicking on the tab (located on the left side of the screen) entitled "Bankruptcy Pleadings and Documents."

The Trustee is aware that not every individual has access to the internet. If you do not have internet access and/or simply prefer to receive copies of bankruptcy pleadings via regular mail, please fill out the GREEN FORM (printed on green paper) and return it to the following address:

W. Steve Smith, TaxMasters, Inc., Trustee

McFall, Breitbeil, & Smith, P.C.

1331 Lamar St., Ste. 1250

Houston, TX 77010

If you do not fill out the **GREEN FORM** and return it to this address, you will only receive notice of bankruptcy pleadings through the above-identified website. IF YOU RETURN THE GREEN FORM TO THE TRUSTEE, YOUR NAME AND ADDRESS WILL BE INCLUDED ON LISTS FILED WITH THE BANKRUPTCY COURT THAT SHOW TO WHOM A PARTICULAR PLEADING IS BEING MAILED.

Case 12-32065 Document 86-1 Filed in TXSB on 04/23/2012 Page 2 of 5

2. CONSEQUENCES OF SENDING A LETTER TO THE BANKRUPTCY COURT/BANKRUPTCY JUDGE:

The Bankruptcy Court has noted that many individuals are sending letters to its chambers, sometimes including documents which disclose sensitive information of a financial and/or personal nature. Normally, such documents are filed and made a part of a bankruptcy's docket. That means the documents are made public record. **DO NOT SEND CORRESPONDENCE TO THE BANKRUPTCY COURT OR TO THE BANKRUPTCY JUDGE UNLESS YOU INTEND FOR IT TO BE MADE PUBLIC RECORD.** While the correspondence will be made public record (including any contact information you include in the correspondence), the Trustee has requested that the Bankruptcy Court seal any supporting documents that reveal financial and/or personal information (like a social security number). To the extent that you include information like a social security number in your actual correspondence, the Trustee has requested that the Bankruptcy Court black out that information before making such correspondence a public record.

3. CONSEQUENCES OF FILING A PROOF OF CLAIM FORM:

The filing of a proof of claim is required if a creditor wants to protect his or her right to payment from a debtor's bankruptcy estate (find more information about the filing of a proof of claim form at www.txmstr.com). Filling out a proof of claim requires that a party identify his or her name and address. Because this information is included on a proof of claim form, the Trustee has requested that the Bankruptcy Court seal the claims registry for the time being (the claims registry is the collection of all proofs of claim field in a bankruptcy case). This information is not provided to you in an effort to discourage your from filing a proof of claim; instead, this information is provided to you, so that if the claims registry is ever unsealed, you will be a cautious and informed consumer with regard to any individual or any business that contacts you after accessing your name/address/other contact information through your proof of claim filing.

4. REMOVING YOUR NAME FROM THESE BANKRUPTCY DOCUMENTS:

You are receiving this letter because records exist indicating that you contacted TaxMaster's, Inc., at one point or another—regardless of whether you became an actual client. If you did not become a client of TaxMaster's, Inc., you may not have a claim against TaxMaster's, Inc. Even if you did become a client of TaxMaster's, Inc., you may be satisfied with their service to you, or you may not desire to file a claim against TaxMaster's, Inc.

If you do not desire to receive any future mailings regarding this bankruptcy and if you want your name removed from the Debtor's listing of potential creditors, please fill out the BLUE FORM (printed on blue paper) and return it to the following address:

W. Steve Smith, TaxMasters, Inc., TrusteeMcFall, Breitbeil, & Smith, P.C.1331 Lamar St., Ste. 1250Houston, TX 77010

Case 12-32065 Document 86-1 Filed in TXSB on 04/23/2012 Page 3 of 5

If you do not fill out the **BLUE FORM** and return it to this address, you will likely continue to receive documents related to this case. Additionally, your name may be made a part of a public record if the Bankruptcy Court unseals the Debtor's creditor listing at a future date.

To the extent that you have additional questions regarding this bankruptcy estate and related matters, the Trustee encourages you to review the information provided at www.txmstr.com.

Sincerely,

W. Steve Smith, Trustee

Case 12-32065 Document 86-1 Filed in TXSB on 04/23/2012 Page 4 of 5

GREEN FORM

I,	, want to receive copies of bankruptcy and that by making this request, my name and address will be made by case of TaxMasters, Inc.
I understand that I must mail bankruptcy pleadings by mail:	I this form to the following address in order to make sure I receive
7	W. Steve Smith, TaxMasters, Inc., Trustee
	McFall, Breitbeil, & Smith P.C.
	1331 Lamar St., Ste. 1250
	Houston, TX 77010
I understand that I must in pleadings by mail:	clude the following information in order to receive bankruptcy
Name:	
Street Address or P.O. Box:	
City:	
State:	
	
Signature:	
Date:	

Case 12-32065 Document 86-1 Filed in TXSB on 04/23/2012 Page 5 of 5

BLUE FORM

I,
I understand that I must mail this form to the following address in order to have my name removed from TaxMasters, Inc.'s, creditor listing:
W. Steve Smith, TaxMasters, Inc., Trustee
McFall, Breitbeil, & Smith P.C.
1331 Lamar St., Ste. 1250
Houston, TX 77010
Signature:
Printed Name:
Address:
(Your address is requested for purposes of confirming the removal of the appropriate individual from the listing provided by TaxMasters, Inc.)
Date: